

Chapter 3: Assessment of Income

(ii) Non-exempt Income

(a) Overview

Intent:	To provide direction in determining net income when the source of the income is non-exempt.
Act: (if applicable)	N/A
Regulations:	<p>8 (c) "non-exempt income" means income received by an applicant or recipient for which no exemption applies and which is used in determining eligibility but does not include partially exempt income, and which may be obtained by means of</p> <ul style="list-style-type: none"> (i) payments under the Canada Pension Plan, Old Age Security benefits, Veterans' Allowance, compensation under the Workplace Health, Safety and Compensation Act , employment insurance benefits, and pensions to the applicant or recipient or to his or her dependent from other sources, (ii) income received from a support trust by a person requiring supportive services according to section 25, (iii) income received from federal training allowances, (iv) an assessment based on 50% of the receipts from rental of rooms on property which is used by the applicant or recipient as a residence, (v) an assessment of rental income based on 50 % of that income after the deduction of municipal property taxes for rented real property in which the applicant or recipient does not reside, (vi) payments which are monetary in nature or which are quantifiable in monetary terms including payments which are by way of arrears and which are received as spousal maintenance or support by the applicant or recipient under a private agreement, a domestic contract or a court order, (vii) payments received by an applicant or recipient without dependents under the Canada-

	<p>Newfoundland and Labrador Student Loan Program or successor program;</p> <ul style="list-style-type: none"> (viii) net income received from a severance package which an applicant or recipient receives upon permanently severing from his or her employer for the period of time that the severance package is payable, (ix) income resulting from the sale of property or the sale of a fishing licence, (x) payments received as a result of an inheritance or from an estate, and (xi) income from an insurance claim whether it is paid in monthly instalments or by a lump sum payment; <p>in the month that the payment, income, or inheritance is received;</p>
<p>Overview: (if applicable)</p>	<p>N/A</p>
<p>Policy:</p>	<ul style="list-style-type: none"> • Non-exempt income is income to which no exemption or deduction can be used to reduce the amount, and the full amount of income is deducted from the Income Support payment. • In addition to the income sources identified in the Regulations, the following sources of income are also considered non- exempt: <ul style="list-style-type: none"> ○ Interest plus 2% of the capital from a Support Trust not used for the beneficiary ○ Special compensation packages for fisherpersons, fish-plant workers, and other fishery workers ○ Pensions of any kind from other countries after they are converted to Canadian currency ○ Strike pay ○ Payments made directly to clients as a result of fundraising efforts • When money is raised as a result of fundraising efforts on behalf of clients, payments can possibly be considered as income to the client, or as a resource at the client’s disposal for a specific item or service. Consideration needs to be given to the way the fundraising money is being provided to the client, and if the item is something that the Income Support Program will otherwise approve.

	<ul style="list-style-type: none"> • When the funds are for an item that is likely covered for an IS client/applicant - i.e. burials, the amounts raised would not be considered as income but rather as a resource, and no payments will be issued towards the burial/funeral. If the money raised is insufficient, only the remaining amount required will be considered. • Where the funds are raised for an item not covered by Income Support (i.e. a house to replace one destroyed by fire, headstones for a loved one) or if the payment is made directly to the client, it must be considered as income and will impact eligibility. • Where the money is paid directly to a service provider, or the person administering the funds pays the bills, and the client does not receive the payment directly, the amount raised will not be considered as income of the client.
Procedure:	<ul style="list-style-type: none"> • The Client Services Officer must deduct the full amount of the income from the Income Support entitlement.
Authority Level:	Client Services Officer
Date revised:	June 1, 2019